
IX.

**Student Loans: Overview and Repayment
Options**

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HELPING NC'S SERVICEMEMBERS AND VETERANS NAVIGATE STUDENT LOAN DEBT

2017 NCBA Military & Veterans Law
Section Fall Program on Legal
Assistance for Military Personnel

Cary, NC
Nov. 15, 2017

North Carolina Justice Center
www.ncjustice.org



2

Scope of Student Loan Debt Problem

- Approx. 44 million in U.S. have student loans.
- Total student loan debt in U.S. is greater than \$1.4 trillion.
- Student loan debt is the 2nd largest source of household debt.



Bloomberg BNA, "Mounting Student Loan Debt Mobilizing Bankruptcy Courts," Diane Davis, July 31, 2017, available at <https://www.bna.com/bankruptcy-law-reporter-p6001/>

Student Loan Debt Hits Military Personnel

Despite Post-9/11 G.I. Bill benefits, more than 40% of active duty military carry student loan debt.



MarketWatch, "Why veterans and servicemembers struggle with student loan debt, despite a generous GI Bill," Jillian Berman, Nov. 11, 2015.

Growing Scope of Student Loan Debt Problem

- A record 8.5 million federal student borrowers were in default as of June 30, 2017. More than one in ten outstanding federal student loan dollars (\$140 billion) is in default.*
- According to the Center for Responsible Lending, 90+ day delinquencies on student loans outpace any other kind of debt, including credit card and mortgages.

*the institute for college access & success (TICAS), Sept. 27, 2017 press release, "Federal Student Loan Default Rate Rises for the First Time in 4 Years: Recent Education Department Actions Will Lead to Even More Defaults"

For-Profit Schools Exacerbate Student-Debt Problem

- Students at for-profit schools are more likely than those at other institutions to take out loans.
- Among veterans with G.I. Bill benefits attending two-year degree programs, 31% at for-profit schools took out loans in the academic year ending in 2012, compared with 13% at public schools.*

* LA Times, "Generous GI Bill isn't keeping today's veterans out of student loan debt," Alan Zarembo, Oct. 30, 2015.

For-Profit Schools Target Veterans and Servicemembers

- 90/10 Rule (10% of revenue must come from sources other than Title IV financial aid)
- Big Loophole: **G.I. Bill benefits** and **Tuition Assistance** count as private \$\$\$, not as federal funds.

For-Profit Schools Target Veterans and Active Duty Military

- In 2012-13, **8 of the top 10** recipients of Post-9/11 G.I. Bill \$\$\$ were large, publicly-traded companies that operate for-profit colleges.
- Today, **40%** of Post-9/11 G.I. Bill \$\$\$ goes to for-profit schools.

Higher Student Loan Default Rate

- For-profit colleges enrolled only 9% of all students in U.S., yet 33% of the borrowers who defaulted attended for-profit colleges
- Considering both borrowing and default rates, the likelihood of a student defaulting at a for-profit college is 3X higher than at a 4-year public college and 3.5X higher than at a community college.

the institute for college access & success (TICAS), Sept. 27, 2017 press release, "Federal Student Loan Default Rate Rises for the First Time in 4 Years: Recent Education Department Actions Will Lead to Even More Defaults"

Consequences of Default (Fed Loans)

1. Collection Fees: DoE refers defaulted loans to private collection agencies (PCAs) who impose sizable fees.
2. Administrative Wage Garnishment: PCAs can garnish your wages without filing a collection action/obtaining court order.
3. Treasury Offset Program: govt can seize federal tax refunds and portions of Social Security benefits
4. Damage to Credit Score: delinquency & default are reported to CRAs.
5. No Statute of Limitations to collecting on debt
6. Can't Enroll in IDR Payment Options

Admin. Wage Garnishment (AWG)

- Wages up to 15% of disposable pay can be garnished until the debt is paid.
- An amount equal to 30 times the minimum wage is protected: $30 \times 7.25 = \$217.50$ is protected per week.*
- Borrower has right to receive notice 30 days prior to garnishment.
 - PCA's failure to provide notice/hearing before ordering employer to withhold wages may violate FDCPA or state UDAP. *Cliff v. Payco Gen. Am. Credits, Inc.*, 363 F.3d 1113 (11th Cir. 2004).
 - Borrower can challenge the garnishment, enter into repayment plan, or request forbearance due to hardship. A hardship form is available at: <https://myedebt.ed.gov/borrower/PDFFrames.jsp?fileName=form.financial.status.fo.r.wage.garnishment.hearing.only.pdf>

*National Consumer Law Center's Student Loan Borrower Assistance website, <http://www.studentloanborrowerassistance.org/collections/government-collection-tools/admin-wage-garnishments/>,

Avoiding Default: Income-Driven Repayment Plans

- Payments are tied to income and household size.
- Monthly payment can be as low as \$0 per month.
- Balance of the loan is forgiven after 20 or 25 years of repayment, depending on plan.
 - *Note: The forgiven debt is treated as taxable income. Need to inform your client of potential tax issues.*
- Govt. covers unpaid interest for subsidized loans during first 3 consecutive years in IDR.
- Staying enrolled in plan requires re-certification of income and household size each year. Big problem.

Income Driven Repayment Plans

Revised Pay As You Earn (REPAYE)

- Available for all Direct Loan borrowers
- Monthly payment is 10% of discretionary income
- Discharge after 20 years if undergrad loans; 25 years if any loans are grad
- 50 percent interest subsidy for any unpaid interest accrued while enrolled in this plan

Pay As You Earn (PAYE)

- Available for Direct Loan borrowers who have at least 1 loan after 9/30/2011 and no loans prior to 9/30/2007, and have a PFH (partial financial hardship)
- Monthly payment is 10% of discretionary income up to fixed 10-year standard payment amount
- Discharge after 20 years

New Income-Based Repayment (new IBR)

- Available for borrowers who take out 1st loan after 7/1/2014 and have PFH
- Monthly payment is 10% of discretionary income up to fixed 10-year standard payment amount
- Discharge after 20 years

Income-Based Repayment (orig. IBR)

- Available for all federal student loan borrowers (Direct Loan or FFEL) with PFH
- Monthly payment is 15% of discretionary income up to fixed 10-year payment amount
- Discharge after 25 years

Income-Contingent Repayment (ICR)

- Avail. for all Direct student loan borrowers (Parent PLUS can be repaid in ICR if consolidated into Direct Loan).
- Monthly payment is lesser of 20% of discretionary income and 12-year repayment amount X income % factor
- Discharge after 25 years

Public Service Loan Forgiveness

- 3 Eligibility Requirements*:

1. The right kind of job (military service, gov't jobs, 501(c)(3))
2. The right kind of loan (only applies to Direct Loans)
3. The right kind of payment (10-year standard repayment plan or any IDR plan)

- Steps:

1. Certify that you work for a qualified "public service employer"
 - Get "Employment Certification" form from loan servicer & have employer fill it out.
 - Submit annually and any time you switch employer.
 - Loan servicing transfers to FedLoan who tracks qualifying payments.
2. Make 120 on-time qualifying payments (not required to be consecutive)
3. After 120 payments, submit PSLF Application to request forgiveness

*Joshua Cohen, The Student Loan Lawyer, "PSLF Application and the Big Bug," Sept. 5, 2017

Income Driven Repayment Plans are Tragically Underutilized

- A CFPB study revealed that federal loan servicers have systemically failed to notify borrowers who are at risk of defaulting that they could potentially avoid default by enrolling in an IDR plan.

Income Driven Repayment Plans are Tragically Underutilized, Part 2

- In Jan. 2017, CFPB sued largest student-loan servicer, Navient (formerly Sallie Mae, Inc.). Complaint alleges that Navient steered borrowers into forbearance and deferment rather than alternative payment plans. Motive: advising borrowers about IDR plans and processing IDR paperwork eats into profits.++
- According to the CFPB complaint, Navient added nearly \$4 billion of unpaid interest to the principal balance of borrowers' loans by placing them in multiple forbearances rather than enrolling them in IDR plans.
- A 2012 CFPB report found that loan servicers were steering servicemembers to forbearance and deferment options.*
- The servicemembers were often unaware that the interest on their unsubsidized loans would continue to accrue during deferment/forbearance, causing the loan balance to balloon.*

++*Consumer Financial Protection Bureau v. Navient Corp., et al., 17-CV-00101 (M.D. Pa.)*

*Consumer Financial Protection Bureau, "The Next Front? Student Loan Servicing and the Cost to Our Men and Women in Uniform," Oct. 18, 2012

Loan Servicers and Recertification for IDR

- CFPB's suit against Navient also alleges that Navient systematically (1) failed to properly notify borrowers of deadline for annual re-certification and (2) failed to warn borrowers of the consequence of not re-certifying on time.
- Consequences: borrower is kicked off the IDR plan, placed back into an unaffordable standard repayment plan, and unpaid interest is capitalized.
- Irreversible harm.
- Between July 2011 and March 2015, borrowers who did not timely renew their enrollment in IDR plans regularly exceeded 60%.

Getting Out of Default: Rehab vs. Consolidation

- Rehabilitations generally make up 70 percent of federal loan collections while consolidation makes up less than 20 percent.⁺
- Rehab requires borrower to make 9 months of payments within a 10-consecutive-month time period.
- Payments can be set as low as \$5/mo.; nearly 80% of borrowers rehab at \$5/mo.⁺
- At the end of the 9 payments, the borrower is transferred back from the PCA to a loan servicer and placed on a standard payment plan. It is up to the borrower to request IDR.

⁺Consumer Financial Protection Bureau, 2016 Annual Report of the CFPB Student Loan Ombudsman (Oct. 2016), <https://www.consumerfinance.gov/data-research/research-reports/2016-annual-report-cfpb-student-loanombudsman/>.

Getting Out of Default: Rehab Often Fails Low-Income Borrowers

- Collection agencies are incentivized to complete rehabs, not to ensure long-term success of borrowers.
- For borrowers who qualify for a \$5 monthly payment under an income-driven rehabilitation, collectors will recover a total of \$45 in rehab payments. In exchange for completing this rehab, the DoE (taxpayers) may pay collectors up to \$1,710 – nearly 40 times the amount of the cash recovery.⁺
- 9 out of 10 who rehabbed were not on IDR plan within 9 mo. of getting out of default; more than 50% re-defaulted.
- Borrowers can only rehab one time. Consequences of redefaulting are severe.

⁺Consumer Financial Protection Bureau, 2016 Annual Report of the CFPB Student Loan Ombudsman (Oct. 2016), <https://www.consumerfinance.gov/data-research/research-reports/2016-annual-report-cfpb-student-loanombudsman/>.

Getting Out of Default: Consolidation & IDR

- Borrowers can cure a default through refinancing their defaulted loans with a new Direct Consolidation Loan.
- Requires borrower to simultaneously enroll in IDR plan.
- Of previously defaulted borrowers who recently cured default through consolidation, nearly all (95 percent) remained in active repayment twelve months later.

Federal Student Loan Discharges

- **Total & Permanent Disability for Veterans** (34 C.F.R. § 685.213(c)): requires documentation from VA that veteran is “unemployable due to service-connected disability”
- **Closed School** (34 C.F.R. § 685.214)
- **False Certification** (ATB, forgery, identity theft) (34 C.F.R. § 685.215)
- **Unpaid Refund** (34 C.F.R. § 685.216)

Perkins Loan Benefits for Servicemembers

- A school must cancel up to 100% of the outstanding balance of a Perkins loan for each full year of active duty service in the U.S. armed forces *in an area of hostilities or an area of imminent danger that qualifies for special pay.*
- Cancellation rate: 15% for the first and second year of qualifying service, 20% for the third and fourth year of qualifying service, and 30% for the fifth year of qualifying service.

Relief from Federal Student Loans

Borrower Defense-to-Repayment

(20 U.S.C. § 1087(e)(h); 34 C.F.R. 685.206(c); language of Master Promissory Note)

- Based on wrongdoing by school
- Can be asserted as a defense to collections, including AWG and tax offsets
- May also be raised affirmatively. Thousands of victims of Corinthian Colleges, ITT Tech and other for-profit schools have applied for borrower defense to repayment.
- New guidelines were supposed to go into effect on July 1, 2017. Sec. DeVos stayed implementation. Now intends to rewrite the guidelines. Won't be ready until 2019.
- In the meantime, DoE is sitting on more than 65,000 borrower defense to repayment applications.

Don't Expect Any Help from Feds

- Trump University settled a \$25M lawsuit after the election.
- DoE Sec., Betsy DeVos, has thus far consistently acted to weaken consumer protections for borrowers.
- In August 2017, DeVos picked former for-profit school administrator, Julian Schmoke Jr., as head of the DoE's enforcement unit.



Federal vs. Private Student Loans

- Fed loans make up 85-90% of total.
- Private loans usu. have higher interest rate and fewer protections (no statutory discharges and repayment plans)
- Collection suits are more common with private loans.

Defenses to Collection Actions

- **Statutes of limitation**: in N.C., an action to collect on the debt must be brought within 3 years of last payment (Note: not avail for federal loans)
- **Failure to prove ownership of debt**: as with mortgage loans, private student loans are often securitized and owned by Trusts that may have difficulty proving its right to enforce the debt obligation
 - See *CFPB v. The National Collegiate Master Student Loan Trust, et al.*, 17-cv-01323 (D. Del.) (Sept. 9, 2017)
- **Failure to prove amount of debt**: affidavits submitted to prove default and amount of debt outstanding can be challenged based on lack of personal knowledge
- **Standard contract defenses** (fraud, mistake, etc.)

Student Loans and Bankruptcy

Student-loan debt is difficult (but not impossible) to discharge in bankruptcy.



Servicemembers Civil Relief Act (SCRA) and Student Loans

- Caps interest rate at 6% per year.
- Cap applies to loans obtained/disbursed prior to military service.
- Rate cap applies for entire period of active duty service.
- Can submit request to servicer up to 180 days after leaving active duty and the rate cap must be applied to entire period of active-duty service.
- According to CFPB report, servicemembers complain that loan servicers have failed to properly apply the rate cap and/or have imposed burdens on applying that do not comport with the law.
- Note: May have to choose between the SCRA rate cap benefit and getting on an IDR plan or PSLF forgiveness.

See <https://studentaid.ed.gov/sa/sites/default/files/military-student-loan-benefits.pdf>

Checklist

- Have client access NSLDS website for status of federal loans.
- If client is in default, consolidate loans and get on IDR plan (unless rehab would be better to allow client to take advantage of SCRA).
- If client is not yet in default and client is unable to make standard payment, assist client in getting on an IDR plan.
- If client is on active duty and/or plans to stay in military or work in public service field, consider Public Service Loan Forgiveness.
- If school closed while client was attending (or w/in 120 days) or client became disabled through military service, determine eligibility for loan discharge.
- If client claims she did not take out student loans, do FERPA request to school to get financial aid records; assess for forgery/identity theft.
- If client has Perkins loans, determine eligibility for principal cancellation.

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For Members of the U.S. Armed Forces



What you need to know about your federal student loan benefits

Thank you for your service

As America's servicemen and servicewomen, you've always been there for us when we needed you. The Department of Education and your student loan servicers appreciate the sacrifices you make for our country and we want to be there for you, too. Our teams of dedicated customer care representatives can help you access benefits available on your loans, review repayment options, and help you create a plan to manage your student loans while you are far from home.

Student Loan Benefits for Members of the Armed Forces

In acknowledgement of your service to our country, there are special student loan benefits and repayment options available from the U.S. Department of Education (ED) and the U.S. Department of Defense (DOD). This brochure provides an overview of these benefits and options. Contact your student loan servicer for additional information, including eligibility information and required documentation.

Benefit	Description	Loan and Service Eligibility	Documentation Requirements
Servicemembers Civil Relief Act (SCRA) Interest Rate Cap	Interest on student loans obtained prior to your military service is capped at 6% during periods of active duty.	<ul style="list-style-type: none"> Federal and private loans. Loans disbursed prior to active duty start date. For federal loans, the earliest benefit effective date is August 14, 2008, and active duty periods that fall on or after that date may qualify. If you consolidate your federal loans after your active duty start date, your consolidation loan may not be eligible for the benefit. 	<ul style="list-style-type: none"> Your student loan servicer will proactively check an authorized military database*, and if you are listed as being in active duty status the servicer will automatically apply the benefit to eligible loan(s). If your military orders indicate a different active duty start date, you may submit a copy, and the benefit start date will reflect the earlier active duty start date. You also may initiate the benefit by submitting a copy of your orders.
Military Service Deferment	You can postpone loan repayment during certain periods of active duty and immediately following active duty.	<ul style="list-style-type: none"> Federal and some private loans. Generally offered for active duty military service during a war, other military operation, or national emergency. Assigned to a duty station other than your normal station. Generally, periods of training or attending service school are not eligible for deferment. 	<ul style="list-style-type: none"> Completed Military Service and Post-Active Duty Student Deferment Request form; or Written statement from commanding/ personnel officer along with completed borrower section of deferment form; or Copy of military orders along with completed borrower section of deferment form; or Verbal request from you or your representative if documentation cannot be submitted, for the initial twelve-month period for federal loans.
Deferments After Active Duty	You can postpone repayment while you prepare to return to school following your active duty.	<ul style="list-style-type: none"> Federal and some private loans. Following service during a war, other military operation, or national emergency. 	<ul style="list-style-type: none"> Military Service and Post-Active Duty Student Deferment Request form; or Written statement from commanding/ personnel officer along with completed borrower section of deferment form; or Copy of military orders.
Public Service Loan Forgiveness	You may qualify for forgiveness of the remaining balance of your Federal Direct Loans.	<ul style="list-style-type: none"> Federal Direct Loans only. Employed full-time at a qualifying government or nonprofit public service organization, including military service. Make 120 on-time qualifying payments after October 1, 2007 while in a qualifying income driven or 10 year standard repayment plan. 	<ul style="list-style-type: none"> Submit an Employment Certification Form to determine eligibility.

* Federal loan servicers and many private loan servicers complete this proactive match. Contact your loan servicer for eligibility questions or for more information.

Benefit	Description	Loan and Service Eligibility	Documentation Requirements
0% Interest	While you are serving in a hostile area that qualifies you for special pay, you do not have to pay interest for up to 60 months.	<ul style="list-style-type: none"> • Federal Direct Loans made on or after October 1, 2008. • The portion of a Direct Consolidation Loan that represents loans made on or after October 1, 2008. 	<p>Proof of deployment in a hostile area, including:</p> <ul style="list-style-type: none"> • A certifying official's statement and signature; or • Military orders showing you're serving in a hostile area; or • A Leave and Earnings Statement showing you're receiving hostile or imminent danger pay.
Income-Driven Repayment Plans	Repayment plans that base your monthly payment on your income are available for federal student loans. Under these plans, you may qualify for a low or zero payment amount with the possibility of forgiveness of the remaining balance in 20-25 years.	<ul style="list-style-type: none"> • Eligibility is based on your income and varies with the loan type and date the loan was made. Contact your student loan servicer to determine your eligibility. • Private loans are not eligible for these plans; contact your loan servicer for available options. 	<ul style="list-style-type: none"> • Income-Driven Repayment Plan Request form and documentation of income.
HEROES Act Waiver	While you are on active duty, ED waives many of the documentation requirements attached to federal student loan benefits. For example, if you are on an income-driven repayment plan and military service prevents you from providing updated information on your family size and income, you can request to have your monthly payment amount maintained.	<ul style="list-style-type: none"> • Federal loans. • Active duty military service during a war, other military operation, or national emergency. 	<ul style="list-style-type: none"> • Military orders. • Your student loan servicer will proactively apply a waiver if they have information that you are actively serving in the military and qualify for the waiver.
Department of Defense (DOD) Repayment of Your Loans	In certain circumstances, as determined by the DOD, all or a portion of your student loans may be repaid by the DOD.	<ul style="list-style-type: none"> • Varies based on branch of military. 	<ul style="list-style-type: none"> • Contact your designated Military Personnel Officer or representative for application process details.
Veterans Total and Permanent Disability Discharge	If you have a service-connected disability, you may qualify for discharge of your student loans.	<ul style="list-style-type: none"> • Federal and some private loans. 	<ul style="list-style-type: none"> • Documentation from the U.S. Department of Veterans Affairs verifying that you have a service-connected disability; and • Total and Permanent Disability Request form.

Helpful tips for active duty or if you are deployed

1. Consider granting power of attorney to an individual you trust to allow him or her to manage your financial matters, including your student loans. The person to whom you give power of attorney can sign documents and act on your behalf. The legal assistance office on your military base can assist with establishing a power of attorney. As an alternative, you can provide your servicer with the name of the person you approve to receive information about your loan.
2. Establish an account on your servicer's website, which will allow you to view information about your student loan and make payments online.
3. Provide your servicer with your current contact information, including an e-mail address, to ease communication.
4. Make interest payments, even if you have military deferment available to you. This will keep your balance from increasing and could save you money in the long run.
5. Review your repayment options. Repayment plans based on your income may provide a better outcome for federal student loans, as you may qualify for a low payment and loan forgiveness.
6. Sign up for automatic payments to help keep your loan in good standing.
7. Place an active duty alert on your credit report to reduce the risk that you'll become a victim of identity theft. When a business sees an active duty alert on your credit report, it must verify your identity before issuing credit. You may designate a personal representative (a spouse or another trusted person) who can act on your behalf to verify your identity or remove your active duty alert if needed.

Useful student loan resources

Resource	Description
Federal Student Aid StudentAid.gov/military StudentAid.gov 1-800-4-FED-AID	Learn more about government and nonprofit organizations that offer money for college to veterans, future military personnel, active duty personnel, or those related to veterans or active duty personnel. If you have federal student loans, you can learn about repayment plans, deferment and forbearance, and other options to help you repay your loans.
National Student Loan Data System (NSLDS®) NSLDS.ed.gov	Find out who is servicing your federal loans with NSLDS's comprehensive database.
DOD and VA Military Information Programs MilitaryOneSource.mil/ TodaysMilitary.com/living/paying-for-college Benefits.va.gov/gibill/	Information and resources for servicemembers and their families including information on veterans benefits and paying for college.
Servicemembers Civil Relief Act (SCRA) DMDC.osd.mil/appj/scra/	Get more information about the benefits available through SCRA.
Equifax - Equifax.com Experian - Experian.com TransUnion - Transunion.com	These are nationwide consumer reporting agencies where you can place an active duty alert on your credit report. Simply enter "active duty alert" in the website search box for forms and contact information.
Veterans Disability Discharge Program DisabilityDischarge.com	Get more information on loan discharge for disabled veterans.

Tackling student loan debt

1. Lower the interest rate for all your loans

If you are serving on active duty, you're eligible to have your interest rate lowered to six percent on all student loans (both federal and private) taken out before your active-duty service. You can submit your request up to 180 days after leaving active duty, and the lower interest rates will be applied retroactively for the entire period of your active-duty service.

Next steps

Inform your student loan servicer(s) that you'd like to lower your interest rate under the Servicemembers Civil Relief Act (SCRA). You'll need to write to your servicer and send a copy of your orders.

2. Manage your federal student loans

You can take steps to lower your monthly payment today and may qualify for Public Service Loan Forgiveness (PSLF) after 120 qualifying monthly payments (ten years). All active duty servicemembers may be eligible. To get started you need to have qualifying loan, sign up for a qualifying payment plan and certify you have a public service employer.

Next steps and tips

- **Make sure you have a qualifying loan.** Only federal Direct Loans are qualifying loans for

Public Service Loan Forgiveness. Learn more about your loans at nslds.ed.gov.

- **Enroll in a qualifying payment plan.** Income-Based Repayment (IBR) is the best payment plan for many borrowers. IBR sets a low monthly payment based on your income, allowing you to make progress toward 120 on-time qualifying payments and loan forgiveness. To get started, enroll online studentloans.gov or contact your student loan servicer.
- **Certify that you work for a qualified public service employer.** Contact your student loan servicer to get the Employment Certification for Public Service Loan Forgiveness form to qualify for loan forgiveness. You'll need your employer to complete and sign section three.
- **If you have newer loans, you may be able to lower your monthly payment even further.** Pay As You Earn (PAYE) is a different payment plan that offers lower monthly payments than IBR. Eligible borrowers must have at least one new loan made after October 1, 2011 and have no federal loans from before October 1, 2007. Learn more at studentloans.gov.

Ask your servicer about other options for your federal loans

Reduce your interest rate to zero. While you are serving in an "area of hostility" that qualifies you for special combat pay, you may not have to pay interest on Direct Loans made on or after October 1, 2008, for up to 60 months.

Cancel your Perkins loans. Perkins Loan borrowers serving in an “area of hostility” for more than 365 days may be eligible to have their loan balance reduced for each qualifying year of service. Contact your servicer to apply.

Be wary of military deferment. Military deferment may be available for some servicemembers if you’re on active duty or in the National Guard during certain qualifying times. But be aware, if you have an unsubsidized loan, the unpaid interest will cause your total debt to grow.

Want loan forgiveness but have federal loans that don’t qualify?

Consider consolidating. Borrowers with older federal loans may be able to take out a new Direct Consolidation Loan in order to be eligible for Public Service Loan Forgiveness.

Be careful. While this option may make sense for borrowers with very high levels of student debt, if you’re on active duty and your student loan interest rate is higher than six percent, you may lose eligibility for your interest rate reduction under the SCRA.

3. Manage your private student loans

If you’re having trouble making ends meet and you’re serving on active duty, you may be eligible to postpone private student loan payments through deferment or forbearance options. Be aware that while the terms of alternative payment plans will vary, the interest on your loans will continue to grow even after you stop making payments.

Know your options

For most servicemembers, it’s better to pay your private student loans if you can. If you can’t afford to repay your loans while you’re on active duty, ask your servicer about interest-only payments instead of deferment or forbearance. This will stop your loans from growing and may still provide you with some short-term relief.

Run into trouble?

Submit a complaint. Have an issue with your servicer or debt collector? We’ll forward your complaint to the company and work to get a response from them. Visit cfpb.gov/complaint or call 855-411-CFPB (2372).

Contact your Judge Advocate General (JAG). A JAG can help if you need legal services. Find a JAG at legalassistance.law.af.mil.

Still have questions? Ask CFPB has over 1,000 questions and answers in plain language. Visit consumerfinance.gov/askcfpb.



IDR

INCOME-DRIVEN REPAYMENT (IDR) PLAN REQUEST

For the Revised Pay As You Earn (REPAYE), Pay As You Earn (PAYE), Income-Based Repayment (IBR), and Income-Contingent Repayment (ICR) plans under the William D. Ford Federal Direct Loan (Direct Loan) Program and Federal Family Education Loan (FFEL) Programs

WARNING: Any person who knowingly makes a false statement or misrepresentation on this form or on any accompanying document is subject to penalties that may include fines, imprisonment, or both, under the U.S. Criminal Code and 20 U.S.C. 1097.

OMB No. 1845-0102
Form Approved
Exp. Date 10/31/2018

SECTION 1: BORROWER INFORMATION

Please enter or correct the following information.

☐ Check this box if any of your information has changed.

SSN _____

Name _____

Address _____

City _____

State _____

Zip Code _____

Telephone - Primary _____

Telephone - Alternate _____

Email (Optional) _____

SECTION 2: REPAYMENT PLAN OR RECERTIFICATION REQUEST

It's faster and easier to complete this form online at StudentLoans.gov. You can learn more at StudentAid.gov/IDR and by reading Sections 9 and 10. It's simple to get repayment estimates at StudentAid.gov/repayment-estimator. If you need help with this form, contact your loan holder or servicer for free assistance. You can find out who your loan holder or servicer is at StudentAid.gov/login. You may have to pay income tax on any loan amount forgiven under an income-driven plan.

1. Select the reason you are submitting this form (Check only one):

- ☐ I want to enter an income-driven plan - Continue to Item 2.
- ☐ I am submitting documentation for the annual recertification of my income-driven payment - Skip to Item 5.
- ☐ I am submitting documentation early to have my income-driven payment recalculated immediately - Skip to Item 5.
- ☐ I want to change to a different income-driven plan - Continue to Item 2.

2. Choose a plan and then continue to Item 3.

- ☐ (Recommended) I want the income-driven repayment plan with the lowest monthly payment.
- ☐ REPAYE ☐ IBR
- ☐ PAYE ☐ ICR

3. Do you have multiple loan holders or servicers?

- ☐ Yes - Submit a request to each holder or servicer. Continue to Item 4.
- ☐ No - Continue to item 4.

4. Are you currently in deferment or forbearance?

After answering, continue to Item 5.

- ☐ No.
- ☐ Yes, but I want to start making payments under my plan immediately.
- ☐ Yes, and I do not want to start repaying my loans until the deferment or forbearance ends.

Note: If you have FFEL Program loans, they are only eligible for IBR. However, you can consolidate your loans at StudentLoans.gov to access more beneficial income-driven repayment plans.

SECTION 3: FAMILY SIZE INFORMATION

5. How many children, including unborn children, are in your family and receive more than half of their support from you? _____

6. How many other people, excluding your spouse and children, live with you and receive more than half of their support from you? _____

Note: A definition of "family size" is provided in Section 9. Do not enter a value for you or your spouse. Those values are automatically included in your family size, if appropriate.

Borrower Name _____

Borrower SSN _____

SECTION 4A: MARITAL STATUS INFORMATION

7. What is your marital status?

- ☐ Single - Skip to Item 11.
- ☐ Married - Continue to Item 8.
- ☐ Married, but separated - You will be treated as single. Skip to Item 11.
- ☐ Married, but cannot reasonably access my spouse's income information - You will be treated as single. Skip to Item 11.

8. Does your spouse have federal student loans?

- ☐ Yes - Continue to Item 9.
- ☐ No - Skip to Item 10.

9. Provide the following information about your spouse and then continue to Item 10:

- a. Spouse's SSN _____
- b. Spouse's Name _____
- c. Spouse's Date of Birth _____

10. When you filed your last federal income tax return, did you file jointly with your spouse?

- ☐ Yes - Continue to Item 13.
- ☐ No - Skip to Item 17.

SECTION 4B: INCOME INFORMATION FOR SINGLE BORROWERS AND MARRIED BORROWERS TREATED AS SINGLE

11. Has your income significantly changed since you filed your last federal income tax return?

For example, have you lost your job, experienced a drop in income, or gotten divorced, or did you most recently file a joint return with your spouse, but you have since become separated or lost the ability to access your spouse's income information?

- ☐ Yes - Continue to Item 12.
- ☐ No - Provide your most recent federal income tax return or transcript. Skip to Section 6.
- ☐ I haven't filed a federal income tax return in the last two years - Continue to Item 12.

12. Do you currently have taxable income?

Check "No" if you do not have any income or receive only untaxed income.

- ☐ Yes - Provide documentation of your income as instructed in Section 5. Skip to that Section.
- ☐ No - You are not required to provide documentation of your income. Skip to Section 6.

Note: Remember, any person who knowingly makes a false statement or misrepresentation on this form can be subject to penalties including fines, imprisonment, or both.

SECTION 4C: INCOME INFORMATION FOR MARRIED BORROWERS FILING JOINTLY

13. Has your income significantly changed since you filed your last federal income tax return?

For example, have you lost your job or experienced a drop in income?

- ☐ Yes - Skip to Item 15.
- ☐ No - Continue to Item 14.
- ☐ We haven't filed a federal income tax return in the last two years - Skip to Item 15.

14. Has your spouse's income significantly changed since your spouse filed his or her last federal income tax return?

For example, has your spouse lost his or her job or experienced a drop in income?

- ☐ Yes - Continue to Item 15.
- ☐ No - Provide your and your spouse's most recent federal income tax return or transcript. Skip to Section 6.

15. Do you currently have taxable income?

Check "No" if you have no taxable income or receive only untaxed income.

- ☐ Yes - You must provide documentation of your income according to the instructions in Section 5. Continue to Item 16.
- ☐ No - You are not required to provide documentation of your income. Continue to Item 16.

16. Does your spouse currently have taxable income?

Check "No" if your spouse has no taxable income or receives only untaxed income.

- ☐ Yes - Skip to Section 5 and provide documentation of your spouse's income as instructed in that section.
- ☐ No - You are not required to provide documentation of your spouse's income. If you selected "Yes" to Item 15, skip to Section 5 and document your income. If you selected "No" to Item 15, skip to Section 6.

Note: Remember, any person who knowingly makes a false statement or misrepresentation on this form can be subject to penalties including fines, imprisonment, or both.

Borrower Name _____

Borrower SSN _____

SECTION 4D: INCOME INFORMATION FOR MARRIED BORROWERS FILING SEPARATELY

17. Has your income significantly changed since you filed your last federal income tax return?

For example, have you lost your job or experienced a drop in income?

- ☐ Yes - Continue to Item 18.
- ☐ No - Provide your most recent federal income tax return or transcript. Skip to Item 19.
- ☐ I haven't filed a federal income tax return in the past two years - Continue to Item 18.

18. Do you currently have taxable income?

Check "No" if you have no taxable income or receive only untaxed income. After answering, continue to Item 19.

- ☐ Yes - You must provide documentation of your income as instructed in Section 5.
- ☐ No.

Note: Remember, any person who knowingly makes a false statement or misrepresentation on this form can be subject to penalties including fines, imprisonment, or both.

19. Has your spouse's income significantly changed since your spouse filed his or her last federal income tax return?

For example, has your spouse lost a job or experienced a drop in income?

- ☐ Yes - Continue to Item 20.
- ☐ No - Provide your spouse's most recent federal income tax return or transcript. This information will only be used if you are on or placed on the REPAYE Plan. Skip to Section 6.
- ☐ My spouse hasn't filed a federal income tax return in the past two years - Continue to Item 20.

20. Does your spouse currently have taxable income?

Check "No" if your spouse has no taxable income or receives only untaxed income.

- ☐ Yes - Skip to Section 5 and provide documentation of your spouse's income as instructed in that section. This information will only be used if you are on or placed on the REPAYE Plan.
- ☐ No - You are not required to provide documentation of your spouse's income. If you selected "Yes" to Item 18, skip to Section 5 and document your income. If you selected "No" to Item 18, skip to Section 6.

SECTION 5: INSTRUCTIONS FOR DOCUMENTING CURRENT INCOME

You only need to follow these instructions if, based on your answers in Section 4, you and your spouse (if applicable) were instructed to provide documentation of your current income instead of a tax return or tax transcript.

This is the income you must document:

- You must provide documentation of all taxable income you and your spouse (if applicable) currently receive.
- Taxable income includes, for example, income from employment, unemployment income, dividend income, interest income, tips, and alimony.
- Do not provide documentation of untaxed income such as Supplemental Security Income, child support, or federal or state public assistance.

This is how you document your income:

- Documentation will usually include a pay stub or letter from your employer listing your gross pay.
- Write on your documentation how often you receive the income, for example, "twice per month" or "every other week."
- You must provide at least one piece of documentation for each source of taxable income.
- If documentation is not available or you want to explain your income, attach a signed statement explaining each source of income and giving the name and the address of each source of income.
- **The date on any supporting documentation you provide must be no older than 90 days from the date you sign this form.**
- Copies of documentation are acceptable.

After gathering the appropriate documentation, continue to Section 6.

Borrower Name _____

Borrower SSN _____

SECTION 6: BORROWER REQUESTS, UNDERSTANDINGS, AUTHORIZATION, AND CERTIFICATION

If I am requesting an income-driven repayment plan or seeking to change income-driven repayment plans, **I request:**

- That my loan holder place me on the plan I selected in Section 2 to repay my eligible Direct Loan or FFEL Program loans held by the holder to which I submit this form.
- If I do not qualify for the plan or plans I requested, or did not make a selection in Item 2, that my loan holder place me on the plan with the lowest monthly payment amount.
- If I selected more than one plan, that my loan holder place me on the plan with the lowest monthly payment amount from the plans that I requested.
- If more than one of the plans that I selected provides the same initial payment amount, or if my loan holder is determining which of the income-driven plans I qualify for, that my loan holder use the following order in choosing my plan: REPAYE (if my repayment period is 20 years), PAYE, REPAYE (if my repayment period is 25 years), IBR, and then ICR.

If I am not currently on an income-driven repayment plan, but I did not complete Item 1 or I incorrectly indicated in Item 1 that I was already in an income-driven repayment plan, **I request** that my loan holder treat my request as if I had indicated in Item 1 that I wanted to enter an income-driven repayment plan.

If I am currently repaying my Direct Loans under the IBR plan and I am requesting a change to a different income-driven plan, **I request** a one-month reduced-payment forbearance in the amount of my current monthly IBR payment or \$5, whichever is greater (unless I request another amount below or I decline the forbearance), to help me move from IBR to the new income-driven plan I requested.

☐ **I request** a one-month reduced-payment forbearance in the amount of: _____ (must be at least \$5).

I understand that:

- If I do not provide my loan holder with this completed form and any other required documentation, I will not be placed on the plan that I requested or my request for recertification or recalculation will not be processed.
- I may choose a different repayment plan for any loans that are not eligible for income-driven repayment.
- If I requested a reduced-payment forbearance of less than \$5 above, my loan holder will grant my forbearance request in the amount of \$5.
- If I am requesting a change from the IBR Plan to a different income-driven repayment plan, I may decline the one-month reduced payment forbearance described above by contacting my loan holder. If I decline the forbearance, I will be placed on the Standard Repayment Plan and must make one monthly payment under that plan before I can be placed on a different repayment plan.
- If I am requesting the ICR plan, my initial payment amount will be the amount of interest that accrues each month on my loan until my loan holder receives the income documentation needed to calculate my payment amount. If I cannot afford the initial payment amount, I may request a forbearance by contacting my loan holder.
- If I am married and I request the ICR plan, my spouse and I have the option of repaying our Direct Loans jointly under this plan. My loan servicer can provide me with information about this option.
- If I have FFEL Program loans, my spouse may be required to give my loan holder access to his or her loan information in the National Student Loan Data System (NSLDS). If this applies to me, my loan holder will contact me with instructions.
- My loan holder may grant me a forbearance while processing my application or to cover any period of delinquency that exists when I submit my application.

I authorize the loan holder to which I submit this request (and its agents or contractors) to contact me regarding my request or my loans, including the repayment of my loans, at any number that I provide on this form or any future number that I provide for my cellular telephone or other wireless device using automated dialing equipment or artificial or prerecorded voice or text messages.

I certify that all of the information I have provided on this form and in any accompanying documentation is true, complete, and correct to the best of my knowledge and belief.

Borrower's Signature _____

Date _____

Spouse's Signature _____

Date _____

If you are married, your spouse is required to sign this form unless you are separated from your spouse or you're unable to reasonably access your spouse's income information.

SECTION 7: WHERE TO SEND THE COMPLETED FORM

Return the completed form and any documentation to:
(If no address is shown, return to your loan holder.)

If you need help completing this form call:
(If no phone number is shown, call your loan holder.)

SECTION 8: INSTRUCTIONS FOR COMPLETING THE FORM

Type or print using dark ink. Enter dates as month-day-year (mm-dd-yyyy). Example: March 14, 2015 = 03-14-2015. Include your name and account number on any documentation that you are required to submit with this form. **Return the completed form and any required documentation to the address shown in Section 7.**

SECTION 9: DEFINITIONS

COMMON DEFINITIONS FOR ALL PLANS:

Capitalization is the addition of unpaid interest to the principal balance of your loan. This will increase the principal balance and the total cost of your loan.

A **deferment** is a period during which you are entitled to postpone repayment of your loans. Interest is not generally charged to you during a deferment on your subsidized loans. Interest is always charged to you during a deferment on your unsubsidized loans.

The **William D. Ford Federal Direct Loan (Direct Loan) Program** includes Direct Subsidized Loans, Direct Unsubsidized Loans, Direct PLUS Loans, and Direct Consolidation Loans.

Family size always includes you and your children (including unborn children who will be born during the year for which you certify your family size), if the children will receive more than half their support from you.

For the PAYE, IBR, and ICR Plans, family size always includes your spouse. For the REPAYE plan, family size includes your spouse unless your spouse's income is excluded from the calculation of your payment amount.

For all plans, family size also includes other people only if they live with you now, receive more than half their support from you now, and will continue to receive this support for the year that you certify your family size. Support includes money, gifts, loans, housing, food, clothes, car, medical and dental care, and payment of college costs. Your family size may be different from the number of exemptions you claim for tax purposes.

The **Federal Family Education Loan (FFEL) Program** includes Federal Stafford Loans (both subsidized and unsubsidized), Federal PLUS Loans, Federal Consolidation Loans, and Federal Supplemental Loans for Students (SLS).

A **forbearance** is a period during which you are permitted to postpone making payments temporarily, allowed an extension of time for making payments, or temporarily allowed to make smaller payments than scheduled.

The **holder** of your Direct Loans is the U.S. Department of Education (the Department). The holder of your FFEL Program loans may be a lender, secondary market, guaranty agency, or the Department. Your loan holder may use a servicer to handle billing, payment, repayment options, and other communications. References to "your loan holder" on this form mean either your loan holder or your servicer.

A **partial financial hardship** is an eligibility requirement for the PAYE and IBR plans. You have a partial financial hardship when the annual amount due on all of your eligible loans (and, if you are required to provide documentation of your spouse's income, the annual amount due on your spouse's eligible loans) exceeds what you would pay under PAYE or IBR.

The annual amount due is calculated based on the greater of **(1)** the total amount owed on eligible loans at the time those loans initially entered repayment, or **(2)** the total amount owed on eligible loans at the time you initially request the PAYE or IBR plan. The annual amount due is calculated using a standard repayment plan with a 10-year repayment period, regardless of loan type. When determining whether you have a partial financial hardship for the PAYE plan, the Department will include any FFEL Program loans that you have into account even though those loans are not eligible to be repaid under the PAYE plan, except for: **(1)** a FFEL Program loan that is in default, **(2)** a Federal PLUS Loan made to a parent borrower, or **(3)** a Federal Consolidation Loan that repaid a Federal or Direct PLUS Loan made to a parent borrower.

The **poverty guideline amount** is the figure for your state and family size from the poverty guidelines published annually by the U.S. Department of Health and Human Services (HHS). If you are not a resident of a state identified in the poverty guidelines, your poverty guideline amount is the amount used for the 48 contiguous states.

The **standard repayment plan** has a fixed monthly payment amount over a repayment period of up to 10 years for loans other than Direct or Federal Consolidation Loans, or up to 30 years for Direct and Federal Consolidation Loans.

SECTION 9: DEFINITIONS (CONTINUED)

DEFINITIONS FOR THE REPAYE PLAN:

The **Revised Pay As You Earn (REPAYE) plan** is a repayment plan with monthly payments that are generally equal to 10% of your discretionary income, divided by 12.

Discretionary income for the REPAYE plan is the amount by which your income exceeds 150% of the poverty guideline amount.

Eligible loans for the REPAYE plan are Direct Loan Program loans other than: **(1)** a loan that is in default, **(2)** a Direct PLUS Loan made to a parent borrower, or **(3)** a Direct Consolidation Loan that repaid a Direct or Federal PLUS Loan made to a parent borrower.

DEFINITIONS FOR THE PAYE PLAN:

The **Pay As You Earn (PAYE) plan** is a repayment plan with monthly payments that are generally equal to 10% of your discretionary income, divided by 12.

Discretionary income for the PAYE plan is the amount by which your income exceeds 150% of the poverty guideline amount.

Eligible loans for the PAYE plan are Direct Loan Program loans other than: **(1)** a loan that is in default, **(2)** a Direct PLUS Loan made to a parent borrower, or **(3)** a Direct Consolidation Loan that repaid a Direct or Federal PLUS Loan made to a parent borrower.

You are a **new borrower for the PAYE plan** if: **(1)** you have no outstanding balance on a Direct Loan or FFEL Program loan as of October 1, 2007 or have no outstanding balance on a Direct Loan or FFEL Program loan when you obtain a new loan on or after October 1, 2007, and **(2)** you receive a disbursement of an eligible loan on or after October 1, 2011, or you receive a Direct Consolidation Loan based on an application received on or after October 1, 2011.

DEFINITIONS FOR THE IBR PLAN:

The **Income-Based Repayment (IBR) plan** is a repayment plan with monthly payments that are generally equal to 15% (10% if you are a new borrower) of your discretionary income, divided by 12.

Discretionary income for the IBR plan is the amount by which your adjusted gross income exceeds 150% of the poverty guideline amount.

Eligible loans for the IBR plan are Direct Loan and FFEL Program loans other than: **(1)** a loan that is in default, **(2)** a Direct or Federal PLUS Loan made to a parent borrower, or **(3)** a Direct or Federal Consolidation Loan that repaid a Direct or Federal PLUS Loan made to a parent borrower.

You are a **new borrower for the IBR plan** if **(1)** you have no outstanding balance on a Direct Loan or FFEL Program loan as of July 1, 2014 or **(2)** have no outstanding balance on a Direct Loan or FFEL Program loan when you obtain a new loan on or after July 1, 2014.

DEFINITIONS FOR THE ICR PLAN:

The **Income-Contingent Repayment (ICR) plan** is a repayment plan with monthly payments that are the lesser of **(1)** what you would pay on a repayment plan with a fixed monthly payment over 12 years, adjusted based on your income or **(2)** 20% of your discretionary income divided by 12.

Discretionary income for the ICR plan is the amount by which your adjusted gross income exceeds the poverty guideline amount for your state of residence and family size.

Eligible loans for the ICR plan are Direct Loan Program loans other than: **(1)** a loan that is in default, **(2)** a Direct PLUS Loan made to a parent borrower, or **(3)** a Direct PLUS Consolidation Loan (based on an application received prior to July 1, 2006 that repaid Direct or Federal PLUS Loans made to a parent borrower). However, a Direct Consolidation Loan made based on an application received on or after July 1, 2006 that repaid a Direct or Federal PLUS Loan made to a parent borrower is eligible for the ICR plan.

SECTION 10: INCOME-DRIVEN PLAN ELIGIBILITY REQUIREMENTS AND GENERAL INFORMATION

Table 1. Income-Driven Plan Eligibility Requirements and General Information

Plan Feature	REPAYE	PAYE	IBR	ICR
Payment Amount	Generally, 10% of discretionary income.	Generally, 10% of discretionary income.	Never more than 15% of discretionary income.	Lesser of 20% of discretionary income or what you would pay under a repayment plan with fixed payments over 12 years, adjusted based on your income.
Cap on Payment Amount	None. Your payment may exceed what you would have paid under the 10-year standard repayment plan.	What you would have paid under the 10-year standard repayment plan when you entered the plan.	What you would have paid under the 10-year standard repayment plan when you entered the plan.	None. Your payment may exceed what you would have paid under the 10-year standard repayment plan.
Married Borrowers	Your payment will be based on the combined income and loan debt of you and your spouse regardless of whether you file a joint or separate Federal income tax return, unless you and your spouse (1) are separated or (2) you are unable to reasonably access your spouse's income information.	Your payment will be based on the combined income and loan debt of you and your spouse only if you file a joint Federal income tax return, unless you and your spouse (1) are separated or (2) you are unable to reasonably access your spouse's income information.	Your payment will be based on the combined income and loan debt of you and your spouse only if you file a joint Federal income tax return, unless you and your spouse (1) are separated or (2) you are unable to reasonably access your spouse's income information.	Your payment will be based on the combined income of you and your spouse only if you file a joint Federal income tax return, unless you and your spouse (1) are separated or (2) you are unable to reasonably access your spouse's income information.
Borrower Responsibility for Interest	On subsidized loans, you do not have to pay the difference between your monthly payment amount and the interest that accrues for your first 3 consecutive years in the plan. On unsubsidized loans during all periods, you only have to pay half the difference between your monthly payment amount and the interest that accrues.	On subsidized loans, you do not have to pay the difference between your monthly payment amount and the interest that accrues for your first 3 consecutive years in the plan.	On subsidized loans, you do not have to pay the difference between your monthly payment amount and the interest that accrues for your first 3 consecutive years of in the plan.	You are responsible for paying all of the interest that accrues.
Forgiveness Period	If you only have eligible loans that you received for undergraduate study, any remaining balance is forgiven after 20 years of qualifying repayment. If you have any eligible loans that you received for graduate or professional study, any remaining balance is forgiven after 25 years of qualifying repayment on all of your loans. Forgiveness may be taxable.	Any remaining balance is forgiven after 20 years of qualifying repayment, and may be taxable.	Any remaining balance is forgiven after no more than 25 years of qualifying repayment, and may be taxable.	Any remaining balance is forgiven after 25 years of qualifying repayment, and may be taxable.

SECTION 10: INCOME-DRIVEN PLAN ELIGIBILITY REQUIREMENTS AND GENERAL INFORMATION

Plan Feature		REPAYE	PAYE	IBR	ICR
Income Eligibility	None.		You must have a "partial financial hardship".	You must have a "partial financial hardship".	None.
Borrower Eligibility	You must be a Direct Loan borrower with eligible loans.		You must be a "new borrower" with eligible Direct Loans.	You must be a Direct Loan or FFEL borrower with eligible loans.	You must be a Direct Loan borrower with eligible loans.
Recertify Income and Family Size	Annually. Failure to submit documentation by the deadline will result in capitalization of interest and increasing your payment to ensure that your loan is paid in full over the lesser of 10 or the remainder of 20 or 25 years.		Annually. Failure to submit documentation by the deadline may result in the capitalization of interest and will increase the payment amount to the 10-year standard payment amount.	Annually. Failure to submit documentation by the deadline will result in the capitalization of interest and increase in payment amount to the 10-year standard payment amount.	Annually. Failure to submit documentation by the deadline will result in the recalculation of your payment amount to be the 10-year standard payment amount.
Leaving the Plan	At any time, you may change to any other repayment plan for which you are eligible.		At any time, you may change to any other repayment plan for which you are eligible.	If you want to leave the plan, you will be placed on the standard repayment plan. You may not change plans until you have made one payment under that plan or a reduced-payment forbearance.	At any time, you may change to any other repayment plan for which you are eligible.
Interest Capitalization	Interest is capitalized when you are removed from the plan for failing to recertify your income by the deadline or when you voluntarily leave the plan.		If you are determined to no longer have a "partial financial hardship" or if you fail to recertify your income by the deadline, interest is capitalized until the outstanding principal balance on your loans is 10% greater than it was when you entered the plan. It is also capitalized if you leave the plan.	If you are determined to no longer have a "partial financial hardship", fail to recertify your income by the deadline, or leave the plan, interest is capitalized.	Interest that accrues when your payment amount is less than accruing interest on your loans is capitalized annually until the outstanding principal balance on your loans is 10% greater than it was when your loans entered repayment.
Re-Entering the Plan	Your loan holder will compare the total of what you would have paid under REPAYE to the total amount you were required to pay after you left REPAYE. If the difference between the two shows that you were required to paid less by leaving REPAYE, your new REPAYE payment will be increased. The increase is equal to the difference your loan holder calculated, divided by the number of months remaining in the 20- or 25-year forgiveness period.		You must again show that you have a "partial financial hardship".	You must again show that you have a "partial financial hardship".	No restrictions.

SECTION 11: SAMPLE PAYMENT AMOUNTS

The tables below provide repayment estimates under the traditional and income-driven repayment plans. These figures are estimates based on an interest rate of 6%, the average Direct Loan interest rate for undergraduate and graduate borrowers. The figures also assume a family size of 1, that you live in the continental U.S., and that your income increases 5% each year. Various factors, including your interest rate, your loan debt, your income, if and how quickly your income rises, and when you started borrowing may cause your repayment to differ from the estimates shown in these tables. These figures use the 2016 Poverty Guidelines and Income Percentage Factors.

Table 2. Non-Consolidation, Undergraduate Loan Debt of \$30,000 in Direct Unsubsidized Loans and Starting Income of \$25,000

Repayment Plan	Initial Payment	Final Payment	Time in Repayment	Total Paid	Loan Forgiveness
Standard	\$333	\$333	10 years	\$33,967	N/A
Graduated	\$190	\$571	10 years	\$42,636	N/A
Extended-Fixed	Ineligible	-	-	-	-
Extended-Graduated	Ineligible	-	-	-	-
PAYE	\$60	\$296	20 years	\$38,105	\$27,823
REPAYE	\$60	\$296	20 years	\$38,105	\$24,253
IBR	\$90	\$333	21 years, 10 months	\$61,006	\$0
ICR	\$195	\$253	19 years, 6 months	\$52,233	\$0

Table 3. Non-Consolidation, Graduate Loan Debt of \$60,000 in Direct Unsubsidized Loans and Starting Income of \$40,000

Repayment Plan	Initial Payment	Final Payment	Time in Repayment	Total Paid	Loan Forgiveness
Standard	\$666	\$666	10 years	\$79,935	N/A
Graduated	\$381	\$1,143	10 years	\$85,272	N/A
Extended-Fixed	\$437	\$437	25 years	\$130,974	N/A
Extended-Graduated	\$300	\$582	25 years	\$126,168	N/A
PAYE	\$185	\$612	20 years	\$87,705	\$41,814
REPAYE	\$185	\$816	25 years	\$131,444	\$0
IBR	\$277	\$666	18 years, 3 months	\$107,905	\$0
ICR	\$469	\$588	13 years, 9 months	\$89,468	\$0

SECTION 12: IMPORTANT NOTICES

Privacy Act Notice. The Privacy Act of 1974 (5 U.S.C. 552a) requires that the following notice be provided to you:

The authorities for collecting the requested information from and about you are §421 et seq. and §451 et seq. of the Higher Education Act of 1965, as amended (20 U.S.C. 1071 et seq. and 20 U.S.C. 1087a et seq.), and the authorities for collecting and using your Social Security Number (SSN) are §§428B(f) and 484(a)(4) of the HEA (20 U.S.C. 1078-2(f) and 1091(a)(4)) and 31 U.S.C. 7701(b). Participating in the Federal Family Education Loan (FFEL) Program or the William D. Ford Federal Direct Loan (Direct Loan) Program and giving us your SSN are voluntary, but you must provide the requested information, including your SSN, to participate.

The principal purposes for collecting the information on this form, including your SSN, are to verify your identity, to determine your eligibility to receive a loan or a benefit on a loan (such as a deferment, forbearance, discharge, or forgiveness) under the FFEL and/or Direct Loan Programs, to permit the servicing of your loans, and, if it becomes necessary, to locate you and to collect and report on your loans if your loans become delinquent or default. We also use your SSN as an account identifier and to permit you to access your account information electronically.

The information in your file may be disclosed, on a case-by-case basis or under a computer matching program, to third parties as authorized under routine uses in the appropriate systems of records notices. The routine uses of this information include, but are not limited to, its disclosure to federal, state, or local agencies, to private parties such as relatives, present and former employers, business and personal associates, to consumer reporting agencies, to financial and educational institutions, and to guaranty agencies in order to verify your identity, to determine your eligibility to receive a loan or a benefit on a loan, to permit the servicing or collection of your loans, to enforce the terms of the loans, to investigate possible fraud and to verify compliance with federal student financial aid program regulations, or to locate you if you become delinquent in your loan payments or if you default. To provide default rate calculations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to state agencies. To provide financial aid history information, disclosures may be made to educational institutions.

To assist program administrators with tracking refunds and cancellations, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal or state agencies. To provide a standardized method for educational institutions to efficiently submit student enrollment statuses, disclosures may be made to guaranty agencies or to financial and educational institutions. To counsel you in repayment efforts, disclosures may be made to guaranty agencies, to financial and educational institutions, or to federal, state, or local agencies.

In the event of litigation, we may send records to the Department of Justice, a court, adjudicative body, counsel, party, or witness if the disclosure is relevant and necessary to the litigation. If this information, either alone or with other information, indicates a potential violation of law, we may send it to the appropriate authority for action. We may send information to members of Congress if you ask them to help you with federal student aid questions. In circumstances involving employment complaints, grievances, or disciplinary actions, we may disclose relevant records to adjudicate or investigate the issues. If provided for by a collective bargaining agreement, we may disclose records to a labor organization recognized under 5 U.S.C. Chapter 71. Disclosures may be made to our contractors for the purpose of performing any programmatic function that requires disclosure of records. Before making any such disclosure, we will require the contractor to maintain Privacy Act safeguards. Disclosures may also be made to qualified researchers under Privacy Act safeguards.

Paperwork Reduction Notice. According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1845-0102. Public reporting burden for this collection of information is estimated to average 20 minutes (0.33 hours) per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the information collection. Individuals are obligated to respond to this collection to obtain a benefit in accordance with 34 CFR 682.215, 685.209, or 685.221.

If you have comments or concerns regarding the status of your individual submission of this form, please contact your loan holder directly (see Section 7).

Federal Student

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National Student Loan Data System (NSLDS) for Students

NSLDS is a repository of information from many sources. Changes to the data are made by those sources. Collecting the data into one central location such as NSLDS gives you convenience and saves you time. If for any reason you disagree with the information reported to NSLDS, please contact one or more of the sources of your data listed on the detail pages on this site. The Department is also available as a resource at 1-800-4FEDAID if you need additional assistance. Your comments and corrections will help improve the services NSLDS provides.

Detail Loan Information for

Your enrollment status is **WITHDRAWN**, effective 12/18/2015.

Type of Loan: **3 DIRECT STAFFORD UNSUBSIDIZED**

Loan obtained while attending the **EVEREST UNIVERSITY - ORLANDO SOUTH**

Date Entered Repayment: 02/23/2015

Next Payment Due Date: 07/18/2016

Loan Period Begin Date: 01/13/2014

Loan Period End Date: 10/05/2014

Income-Driven Repayment Plan Anniversary Date: N/A



MyStudentData
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Amounts and Dates

Loan Amount	Outstanding Principal Balance	Outstanding Principal Balance As of Date	Outstanding Interest Balance	Outstanding Interest Balance As of Date	Interest Rate Type	Interest Rate	Canceled Amount	Canceled Date
\$1,000	\$1,032	02/29/2016	\$40	02/29/2016	FIXED	3.86%	\$0	N/A
Repayment Plan Type	N/A	Cumulative Repayment Amount	\$0	Repayment Plan Type	STANDARD REPAYMENT	PSLF Cumulative Paid Months	0	

Disbursement(s) and Status(es)

Disbursement Date	Disbursement Amount	Loan Status	Status Description	Status Effective Date
07/11/2014	\$334	FB	FORBEARANCE	12/19/2015
04/09/2014	\$333	DA	DEFERRED	08/24/2015
02/19/2014	\$333	FB	FORBEARANCE	04/08/2015
		RP	IN REPAYMENT	02/23/2015
		IG	IN GRACE PERIOD	08/23/2014
		IA	LOAN ORIGINATED	02/19/2014

Servicer/Lender/Guaranty Agency/ED Servicer Information

Contact Type	Contact
Current ED Servicer:	DEPT OF ED/GREAT LAKES PO BOX 530229 ATLANTA GA 303530229 800-236-4300 mygreatlakes.org

Information contained on these pages reflects the most current data in the NSLDS database. The data contained on this site is for general information purposes and should not be used to determine eligibility, loan payoffs, overpayment status, or tax reporting. Please consult the Financial Aid Officer at your school or the specific holder of your debts for further information.

